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AMEMBASSY

PRRIS

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FOR: Mr. Joseph McDaniel, Jr.

Re REPTO 4308

A preliminary investigation among Washington agencies indicates some conern over possible Eastern European stockpiling and the transshipment of artificial abrasive grains and grinding wheels. Norway is the largest single producer of silicon carbide. France, Sweden and Switzerland export aluminum oxide. Belgium and the Netherlands are also exporters of abrasive materials, but the commodity figures from the bilateral trade agreements give no conclusive evidence of unusual or excessive amounts shipped to Eastern countries. The entire problem of abrasive materials is a subject of another agency study, and the results will be air-pouched to OSR. If results of this abrasive study indicate severe shortage in Eastern countries and excessive shipments to East European areas, we could suggest you advise Missions to secure information as to quantities involved. If the quantitative data obtained gives evidence of excessive amounts moving to Eastern countries, Missions should attempt to contract this trade.

HOFFMAN

